



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

April 25, 2012

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These Updates, published by the Executive Office of Health and Human Services (EOHHS) in consultation with the other state agencies involved in ACA implementation, will bring you news related to the implementation of provisions of the ACA here in Massachusetts.

Grants and Demonstrations

The ACA provides funding opportunities to transform how health care is delivered, expand access to care and support healthcare workforce training.

Grant Announcements

PPHF 2012 - Epidemiology and Laboratory Capacity (ELC/EIP) - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) - Building and Strengthening Epidemiology, Laboratory and Health Information Systems Capacity in State and Local Health Departments, \$4002 and 4304. Announced April 23, 2012. Current Epidemiology and Laboratory Capacity Affordable Care Act (ELC-ACA) grantees are eligible to apply for funding to extend their current project and budget periods for an additional 12 months. The purpose of the grant is to continue the ELC program which seeks to improve health and reduce the rate of growth of health care costs through building epidemiology, laboratory, and health information systems capacity in state and local public health departments. \$67,103,000 in 58 awards is available. Applications are due June 11, 2012.

The announcement can be viewed
at: <http://www.grants.gov/search/search.do?mode=VIEW&oppId=166493>

Affordable Care Act State Loan Repayment Program (SLRP), \$5207. Announced April 17, 2012. Funding is available to state agencies so that states can assist health professionals with educational debt who agree to provide primary care services in federally designated health professional shortage areas. In order to be eligible for funding, states must operate loan

repayment programs so that the program does not offer awards to primary care providers that are more generous than what the National Health Services Corps Loan Repayment Program (NHSC LRP) currently offers. States may differentiate their loan repayment programs from the NHSC LRP in the following areas: eligible disciplines; length of service commitment; amount of loan repayment assistance offered; and practice sites. Funded states must make equal matching state contributions towards SLRP contracts in amounts equal to the federal funds awarded. \$10M in 19 two-year grants is available. Applications are due June 5, 2012.

More information on the NHSC LRP can be found at:

<http://nhsc.hrsa.gov/loanrepayment/stateloanrepaymentprogram/index.html>

The SLRP announcement can be viewed at: [HRSA](#)

Limited Competition for Affordable Care Act Consumer Assistance Program (CAP) Grants, \$1002. Announced April 20, 2012. Approximately \$2.5 million in grant funds that were not spent by state and territory grantees during the first CAP grant cycle in 2010 are available through a new limited-competition funding opportunity announcement. The funds are available to the 38 grantees that successfully completed the first CAP grant cycle to strengthen their ability to help consumers with questions or concerns regarding their health insurance.

In 2010 HHS distributed nearly \$30 million in CAP grants to help states and territories establish or enhance activities to educate consumers about their health coverage options and to ensure consumer access to their rights under state and federal law, including the ACA. In October 2010, Massachusetts was awarded a one-year \$742,888 in CAP grant to be used in partnership with Health Care for All to provide consumers statewide with assistance and up-to-date information about health care coverage options and issues (in several languages) as they navigate the health insurance system.

For the second round of CAP funding, all 38 current CAP grantees are eligible to apply for a maximum award amount of \$127,967. No more than 20 grants of up to \$127,967 each will be awarded. Using these funds, states and territories will continue to help expand consumer assistance efforts, including: Helping consumers enroll in health coverage, including group health plans and health insurance coverage; helping consumers file complaints and appeals against health plans; educating consumers about their rights and empowering them to take action; and tracking consumer complaints to help identify problems and strengthen enforcement.

Applications are due May 21, 2012.

For more information on states' first CAP grant cycle programs, including the Massachusetts' CAP program, visit:

<http://www.healthcare.gov/news/factsheets/2010/10/capgrants-states.html#ma>

For a complete list of states eligible to apply for the second round of CAP funding, visit:

<http://cciio.cms.gov/programs/consumer/capgrants/ltdfacts.html>

To view the funding announcement for the second round of CAP funding, visit: [Grants](#)

Guidance

4/24/12 HHS/CMS issued a final rule "Medicare and Medicaid Programs; Changes in Provider and Supplier Enrollment, Ordering and Referring, and Documentation Requirements; and Changes in Provider Agreements." The rule finalizes program integrity provisions under ACA §6402 and §6405 that CMS estimates will prevent fraud in Medicare and save taxpayers almost \$1.6 billion over 10 years. The rule requires all providers of medical or other items or services and suppliers that qualify for a National Provider Identifier (NPI) to include their NPI on all applications to enroll in the Medicare and Medicaid programs

and on all claims for payment submitted under the Medicare and Medicaid programs. According to CMS, this will allow the agency and states to match specific claims with the ordering or certifying physician or eligible professional and to check for suspicious ordering activity. In addition, it requires physicians and other professionals who are permitted to order and certify covered items and services for Medicare beneficiaries to be enrolled in Medicare. According to CMS, the rule will also help ensure beneficiaries receive quality care because the agency will verify the credentials of a provider who is ordering or certifying equipment and supplies. Read the rule at: <https://s3.amazonaws.com/public-inspection.federalregister.gov/2012-09994.pdf>

Prior guidance can be viewed at www.healthcare.gov

News

4/23/12 The Board of the Medicare Trustees released the 2012 Annual Report which shows that Medicare's Hospital Insurance Trust Fund is projected to remain solvent until 2024, the same estimate from last year's report. According to the report, without the cost control tools and payment reform initiatives in the ACA, the Hospital Insurance Trust Fund would expire 8 years earlier, in 2016. The trustees said that Medicare spending continues to rise and, although the financial projections for Medicare reflect substantial cost savings resulting from the ACA, further action is needed to address the program's continuing cost growth.

In fact, the report states that the ACA contains approximately 165 provisions that affect the Medicare program by "reducing costs, increasing revenues, improving certain benefits, combating fraud and abuse, and initiating a major program of research and development to identify alternative provider payment mechanisms, health care delivery systems, and other changes intended to improve the quality of health care and reduce its costs to Medicare."

The Medicare Trustees are Treasury Secretary and Managing Trustee Timothy F. Geithner, HHS Secretary Kathleen Sebelius, Labor Secretary Hilda L. Solis, and Social Security Commissioner Michael J. Astrue. Two other members are public representatives who are appointed by the President, subject to confirmation by the Senate. Charles P. Blahous III and Robert D. Reischauer began serving on September 17, 2010. CMS Acting Administrator Marilyn B. Tavenner is designated as Secretary of the Board.

Read the report at: http://www.treasury.gov/resource-center/economic-policy/ss-medicare/Documents/TR_2012_Medicare.pdf

4/23/12 CMS released a report called "The Affordable Care Act: Lowering Medicare Costs by Improving Care" which shows that CMS expects various ACA initiatives to result in more than \$200 billion in savings to the Medicare Program through 2016 and almost \$60 billion in lower out-of-pocket costs to beneficiaries in traditional Medicare. According to the CMS Office of the Actuary, the over \$200 billion in short-term savings to the Medicare program is because of measures that include ending excessive payments to private insurers that offer Medicare Advantage plans and implementing anti-fraud measures.

The report also highlights several of the ACA's delivery system reforms that CMS is implementing. According to CMS, the reforms will: strengthen the role of primary care providers; reward better-coordinated care through Accountable Care Organizations; improve the quality and coordination of care for "duals" (individuals who are enrolled in both Medicare and Medicaid); and pay for the quality of care provided to patients rather than just the quantity of services or tests that are done.

Read the report at: <http://www.cms.gov/apps/files/ACA-savings-report-2012.pdf>

4/19/12 The Medicaid and CHIP Payment and Access Commission (MACPAC) met to discuss Medicaid's research agenda, Medicare-Medicaid coordination, access to care for non-elderly adults, data for measuring access and Medicaid and CHIP statistics.

MACPAC was established by the Children's Health Insurance Program Reauthorization Act and later expanded and funded through \$2801 and \$10607 of the ACA. MACPAC is tasked with reviewing state and federal Medicaid and CHIP access and payment policies and making recommendations to Congress, the HHS Secretary, and the states on a wide range of issues affecting Medicaid and CHIP populations, including health care reform.

View the agenda at: <http://www.macpac.gov/home/meetings/agenda-april-2012-meeting>

View the presentations and materials from the meeting at:

http://www.macpac.gov/home/meetings/2012_04

4/19/12 The Commonwealth Fund released a report called "Gaps in Health Insurance: Why So Many Americans Experience Breaks in Coverage and How the Affordable Care Act Will Help." The survey found that 25% of adults experienced a gap in their health insurance in 2011, with a majority remaining uninsured for one year or more. According to the report, gaps in health insurance coverage are most often caused by changes in employer-based health insurance eligibility due to a job change or loss, or due to a change in Medicaid eligibility because of a change in income or age. The survey authors conclude that the ACA will help close such gaps by making it easier for people to buy insurance on their own when they don't have access to an employer-based policy. As authorized under by the ACA, beginning in 2014 new affordable health insurance options available through expanded Medicaid programs and state insurance exchanges will enable adults to more easily find and purchase insurance without being dependent on their employment status. The report found that because of the implementation of ACA §1001(2714) that requires health plans that offer dependent coverage to allow children to stay on their parents' insurance policies until age 26, millions of young adults who might otherwise lose their health benefits upon high school or college graduation are maintaining their health insurance. The survey finds that almost half of young adults ages 19 to 25 reported that they had stayed on or joined a parent's insurance policy in the last 12 months. Another provision already in effect, the preexisting condition insurance plans (PCIPs, ACA §1101) for people with health problems who have been uninsured for at least six months, is starting to bridge the coverage gap for the uninsured. While enrollment in PCIPs is low, in 2014 the ACA's "guaranteed issue" and "community rating" provisions will bring further relief to people with chronic health problems when insurers are prohibited from excluding those with preexisting conditions from coverage.

Read the issue brief at: [Commonwealthfund](#)

4/18/12 HHS released a report that shows that the agency is projected to save taxpayers and beneficiaries \$42.8 billion over the next 10 years from a competitive bidding for durable medical equipment (DME) such as hospital beds and wheelchairs in the Medicare program. According to the report, the program saved \$202 million in its first year in nine metropolitan statistical areas, a reduction of 42% in costs. Competitive bidding, an effort to replace Medicare's standard fees with market competition among providers, was created by the 2003 Medicare reform law and began on January 1, 2011 in nine pilot metropolitan areas. The ACA expands the program nationwide starting in 2013 and Round 2 of the program increases the number of metropolitan statistical areas across the country from 70 to 91. By 2016, all areas of the country will benefit from either the competitive bidding program or lower rates based on the competitively bid rates. The report also showed that: Medicare beneficiaries in the nine areas had substantial reductions in their co-insurance for DME; last

year Medicare beneficiaries saved up to \$105 on hospital beds, \$168 on oxygen concentrators, and \$140 on diabetic test strips; and a real-time claims monitoring system verified that Medicare beneficiaries continued to have access to all necessary and appropriate items.

Read the press release at:

<http://www.hhs.gov/news/press/2012pres/04/20120418a.html>

Read the full report at: [CMS](#)

Upcoming Events

Briefing on the Basic Health Plan

May 3, 2012

3 PM - 5 PM

250 Washington St, 2nd floor,
Public Health Council Conference Room
Boston, MA

Integrating Medicare and Medicaid for Dual Eligible Individuals Open Meeting

May 14, 2012, 1:30 PM - 3:30 PM

State Transportation Building, Conference Rooms 1, 2, & 3, Second Floor
10 Park Plaza, Boston

The purpose of this open meeting will be to discuss updates and next steps in the State Demonstration to Integrate Care for Dual Eligible Individuals.

We welcome attendance from all stakeholders and members of the public with interest in this proposed Demonstration. Reasonable accommodations will be made for participants who need assistance. Please send your request for accommodations to Donna Kymalainen at:

Donna.Kymalainen@state.ma.us.

Money Follows the Person Stakeholder Meeting

May 18, 2012, 2:30 PM - 4:00 PM

Shrewsbury Office Amphitheatre
University of Massachusetts Medical School
333 South Street
Shrewsbury, MA 01545

At this meeting we will continue focusing on discussion topics that impact transitions such as assessing risk and developing strategies to mitigate risk. Please contact MFP@state.ma.us to RSVP and to request reasonable accommodations. Although RSVPs are greatly appreciated, they are not required.

Insurance Market Reform Work Group Open Stakeholder Meetings

The Insurance Market Reform Work Group, co-chaired by the Health Connector and the Division of Insurance, is hosting a series of open meetings to solicit feedback on a range of topics under its purview. The meeting schedule and proposed topics are highlighted below. If any interested persons are unable to attend the meetings in person, they can participate in the session by calling the number below. We highly encourage people to attend in person as the acoustics in the Hearing Room can be difficult.

Dialing Instructions:

Dial 1-877-820-7831

Pass Code 9630386# (please make sure to press # after the number).

Follow-up Meeting about Essential Health Benefit (EHBs) approach and options

April 27, 2012

10:00 - 11:30 a.m.

1000 Washington Street, Boston

Hearing Room E, DOI Offices

Potential ACA changes including open enrollment/special enrollment, eligibility appeals, termination, uniformity of forms

May 11, 2012

10:00 - 11:30 a.m.

1000 Washington Street, Boston

Hearing Room E, DOI Offices

Other issues (TBD)

May 25, 2012

10:00 - 11:30 a.m.

1000 Washington Street, Boston

Hearing Room E, DOI Offices

Bookmark the **Massachusetts National Health Care Reform website**

at: http://mass.gov/national_health_reform to read updates on ACA implementation in Massachusetts.

Remember to check <http://mass.gov/masshealth/duals> for information on the **"Integrating Medicare and Medicaid for Dual Eligible Individuals"** initiative.